



PRESS RELEASE

AG Gansler Secures Settlement from St. Joseph's Medical Center
Together with federal authorities, agreement settles allegations of unnecessary admissions for \$4.9 million

Baltimore, MD (February 8, 2013) - Attorney General Douglas F. Gansler announced today that Maryland has joined with the federal government in securing a settlement agreement over allegations that St. Joseph's Medical Center improperly billed Medicaid and other government health care programs. St. Joseph's will pay a total of \$4.9 million to resolve allegations that it admitted patients to the hospital unnecessarily. Of that amount, \$4.75 million will go to the United States and \$152,406 will go to the State of Maryland.

"This is type of fraud and abuse that drives up health care costs for everyone," said Attorney General Gansler. "Working with our federal partners on this case we've been able to return money back to Maryland Medicaid for those who truly need these services."

The hospital disclosed to the federal government that it admitted patients for short stays - typically one or two days - that were not warranted by the patient's medical condition. The hospital then generated a larger reimbursement than was proper for each patient.

The investigation was spearheaded by the United States Attorney's Office for the District of Maryland, the Defense Criminal Investigative Services, the Inspector General for the Office of Personnel Management and the Justice Department's Commercial Litigation Branch. Attorney General Gansler would like to thank Assistant Attorney General Shelly Marie Martin for her work on this matter.